

Congressman Ron Paul U.S. House of Representatives October 2, 2002 Introduction of the Television Consumer Freedom Act Mr. Speaker, I rise to introduce the Television Consumer Freedom Act, legislation repealing regulations that interfere with a consumers' ability to avail themselves of desired television programming.

My office has received numerous calls from rural satellite and cable TV customers who are upset because their satellite or cable service providers have informed them that they will lose access to certain network television programs and/or cable networks. The reason my constituents cannot obtain their desired satellite and cable services is that the satellite and cable "marketplace" is fraught with government interventionism at every level. Cable companies have historically been granted franchises of monopoly privilege at the local level. Government has previously intervened to invalidate "exclusive dealings" contracts between private parties, namely cable service providers and program creators, and has most recently assumed the role of price setter. The Library of Congress has even been delegated the power to determine prices at which program suppliers must make their programs available to cable and satellite programming service providers.

It is, of course, within the constitutionally enumerated powers of Congress to "promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." However, operating a clearing-house for the subsequent transfer of such property rights in the name of setting a just price or "instilling competition" via "central planning" seems not to be an economically prudent nor justifiable action under this enumerated power. This process is one best reserved to the competitive marketplace.

Government's attempt to set the just price for satellite programming outside the market mechanism is inherently impossible. This has resulted in competition among service providers for government privilege rather than the consumer benefits inherent to the genuine free market. Currently, while federal regulation does leave satellite programming service providers free to bypass the governmental royalty distribution scheme and negotiate directly with owners of programming for program rights, there is a federal prohibition on satellite service providers making local network affiliates' programs available to nearby satellite subscribers. This bill repeals that federal prohibition and allows satellite service providers to more freely negotiate with program owners for programming desired by satellite service subscribers. Technology is now available by which viewers will be able to view network programs via satellite as presented by their nearest network affiliate. This market-generated technology will remove a major stumbling block to negotiations that should currently be taking place between network program owners and satellite service providers.

This bill also repeals federal laws that force cable companies to carry certain programs. These federal "must carry" mandates deny cable companies the ability to provide the programming desired by their customers. Decisions about what programming to carry on a cable system should be made by consumers, not federal bureaucrats.

Mr. Speaker, the federal government should not interfere with a consumer's ability to purchase services such as satellite or cable television in the free market. I therefore urge my colleagues to take a step toward restoring freedom by cosponsoring my Television Consumer Freedom Act.